



CLAIRE C. McCASKILL
Missouri State Auditor

To the County Commission
and
Officeholders of Wayne County, Missouri

The State Auditor's Office through the State Office of Administration, Division of Purchasing, contracted the audit services of Wayne County, Missouri, for the two years ended December 31, 2001. A copy of this audit, which was performed by Charles Buchanan, P.C., Certified Public Accountants, is attached.

A handwritten signature in dark ink, reading "Claire C. McCaskill".

Claire C. McCaskill
State Auditor

Report No. 2002-82
August 30, 2002

Wayne County, Missouri
Audit Report
Two Years Ended December 31, 2001

Prepared by:
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WAYNE COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Independent Auditor's Reports:	
Financial Statements and Supplementary Schedule of Expenditures of Federal Awards	1
Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	2
Financial Statements:	3
<u>Exhibit</u>	<u>Description</u>
	Statement of Receipts, Disbursements, and Changes in Cash – Various Funds:
A-1	Year Ended December 31, 2001
A-2	Year Ended December 31, 2000
	Comparative Statements of Receipts, Disbursements, and Changes in Cash – Budget and Actual, Years Ended December 31, 2001 and 2000:
B	General Revenue Fund
B	Special Road and Bridge Fund
B	Assessment Fund
B	Law Enforcement Training Fund
B	Prosecuting Attorney Training Fund
B	Debt Service Fund
B	Special Law Enforcement Fund
B	Special Prosecuting Attorney Fund
B	Victims of Domestic Violence Fund
B	Recorder's User Fees Fund
B	Law Library Fund
B	Associate Division's Interest Fund
B	Sheriff's Donations Fund
B	Landfill Trust Fund
B	Sheriff's Civil Fund
B	Circuit Clerk's Interest Fund
B	Elevator Grant Fund
B	Special Election Fund

B	Courtroom Recorder Equipment Fund	11
B	Health Center Fund	11
B	Senate Bill 40 Board Fund	12
B	Public Water Supply District #2 Fund	12
B	Off-System Bridge Replacement and Rehabilitation Fund	12
B	COPS Fund	12
B	Missouri Sheriff's Methamphetamine Relief Team Fund	12
	Notes to the Financial Statements	13-14
	Supplementary Schedule	15
	Schedule of Expenditures of Federal Awards, Years Ended December 31, 2001 and 2000	16
	Notes to the Supplementary Schedule	17-19
	<u>FEDERAL AWARDS-SINGLE AUDIT SECTION</u>	20
	Independent Auditor's Report:	21
	Compliance With Requirements Applicable to Each Major Program and Control Over Compliance in Accordance With OMB Circular A-133	22-23
	Schedule:	24
	Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action), Years Ended December 31, 2001 and 2000	25
	Section I – Summary of Auditor's Results	25
	Section II – Financial Statement Findings	25
	Section III – Federal Award Findings and Questioned Costs	25-26
	Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	27-29
	Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133	30-31

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Wayne County, Missouri

We have audited the special-purpose financial statements of various funds of Wayne County, Missouri, as of and for the years ended December 31, 2001 and 2000, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Wayne County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Wayne County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Wayne County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2001 and 2000, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated March 8, 2002, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the special-purpose financial statements taken as a whole.

Original Signed by Auditor

Charles Buchanan, CPA, PC
March 8, 2002

Revised July 26, 2002

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the County Commission
and
Officeholders of Wayne County, Missouri

We have audited the special-purpose financial statements of various funds of Wayne County, Missouri, as of and for the years ended December 31, 2001 and 2000, and have issued our report thereon dated March 8, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Wayne County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Wayne County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Wayne County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Original Signed by Auditor

Charles Buchanan, CPA, PC
March 8, 2002

Financial Statements

EXHIBIT A-1

WAYNE COUNTY, MISSOURI

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

Fund	Cash, 1/1/01	Receipts	Disbursements	Cash, 12/31/01
General Revenue	(\$12,582)	\$1,393,401	\$1,280,362	\$100,457
Special Road and Bridge	110,470	1,122,083	1,097,806	134,747
Assessment	7	131,710	125,412	6,305
Law Enforcement Training	3,235	4,283	7,270	248
Prosecuting Attorney Training	500	698	867	331
Debt Service	1,345	39	1,384	0
Special Law Enforcement	1,800	11,269	9,633	3,436
Special Prosecuting Attorney	20	10,785	9,160	1,645
Victims of Domestic Violence	25	1,004	0	1,029
Recorder's User Fees	18,915	8,472	1,592	25,795
Law Library	11,730	6,193	6,994	10,929
Associate Division's Interest	705	1,194	1,194	705
Sheriff's Donations	512	8,685	8,949	248
Landfill Trust	8,436	417	0	8,853
Sheriff's Civil	15	10,887	10,441	461
Circuit Clerk's Interest	2,919	2,333	3,618	1,634
Elevator Grant	200	25,946	23,647	2,499
Special Election	17	2,109	642	1,484
Courtroom Recorder Equipment	270	849	0	1,119
Health Center	327,999	1,199,433	1,237,183	290,249
Senate Bill 40 Board	89,891	109,448	42,544	156,795
Public Water Supply District #2	0	139,570	139,070	500
Corp Trail Grant	0	10,000	0	10,000
Total	\$566,429	\$4,200,808	\$4,007,768	\$759,469

The accompanying Notes to the Financial Statements are an integral part of this statement.

EXHIBIT A-2

WAYNE COUNTY, MISSOURI

STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

Fund	Cash, 1/1/00	Receipts	Disbursements	Cash, 12/31/00
General Revenue	(\$31,515)	\$1,185,598	\$1,166,665	(\$12,582)
Special Road and Bridge	99,741	1,097,909	1,087,180	110,470
Assessment	414	117,948	118,355	7
Law Enforcement Training	2,484	5,003	4,252	3,235
Prosecuting Attorney Training	483	872	855	500
Debt Service	677	668	0	1,345
Special Law Enforcement	20	22,463	20,683	1,800
Special Prosecuting Attorney	10	8,500	8,490	20
Victims of Domestic Violence	1,234	1,191	2,400	25
Recorder's User Fees	12,864	6,815	764	18,915
Law Library	7,505	6,076	1,851	11,730
Associate Division's Interest	297	1,051	643	705
Sheriff's Donations	1,208	6,545	7,241	512
Landfill Trust	7,999	437	0	8,436
Sheriff's Civil	82	10,224	10,291	15
Circuit Clerk's Interest	3,321	4,646	5,048	2,919
Elevator Grant	2,600	223,033	225,433	200
Special Election	0	1,216	1,199	17
Courtroom Recorder Equipment	0	270	0	270
Health Center	229,899	1,196,534	1,098,434	327,999
Senate Bill 40 Board	107,420	70,470	87,999	89,891
Public Water Supply District #2	0	0	0	0
Corp Trail Grant	0	0	0	0
Total	\$446,743	\$3,967,469	\$3,847,783	\$566,429

EXHIBIT B

WAYNE COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>TOTALS - VARIOUS FUNDS</u>						
RECEIPTS	\$5,176,813	\$4,190,808	(\$986,005)	\$4,660,558	\$3,967,469	(\$693,089)
DISBURSEMENTS	5,257,454	4,007,768	1,249,686	4,613,623	3,847,783	765,840
RECEIPTS OVER (UNDER) DISBURSEMENTS	(80,641)	183,040	263,681	46,935	119,686	72,751
CASH, JANUARY 1	566,429	566,429	0	446,743	446,743	0
CASH, DECEMBER 31	485,788	749,469	263,681	493,678	566,429	72,751
<u>GENERAL REVENUE FUND</u>						
RECEIPTS						
Property taxes	165,490	177,083	11,593	183,471	184,087	616
Sales taxes	403,225	403,225	0	390,000	382,983	(7,017)
Intergovernmental	356,102	329,782	(26,320)	332,057	326,211	(5,846)
Charges for services	141,550	173,399	31,849	136,812	151,295	14,483
Interest	2,521	2,481	(40)	3,250	2,803	(447)
Other	261,301	273,781	12,480	107,920	105,318	(2,602)
Transfers from Special Road and Bridge	53,664	33,650	(20,014)	49,288	32,901	(16,387)
Total Receipts	1,383,853	1,393,401	9,548	1,202,798	1,185,598	(17,200)
DISBURSEMENTS						
County Commission	66,472	65,206	1,266	66,514	65,875	639
County Clerk	78,748	76,279	2,469	78,620	77,186	1,434
Elections	1,000	252	748	57,900	46,087	11,813
Buildings and grounds	47,625	45,468	2,157	38,900	39,535	(635)
Employee fringe benefits	226,369	207,935	18,434	196,500	193,267	3,233
County Treasurer	24,365	24,115	250	24,365	24,352	13
County Collector	64,009	64,031	(22)	63,385	63,394	(9)
Ex Officio Recorder of Deeds	17,151	17,271	(120)	17,347	17,252	95
Circuit Clerk	10,375	10,048	327	11,375	9,145	2,230
Associate Circuit Court	750	438	312	1,150	0	1,150
Associate Circuit (Probate)	13,452	7,616	5,836	12,694	8,199	4,495
Court Administration	7,763	2,151	5,612	3,827	2,291	1,536
Public Administrator	27,650	25,585	2,065	22,500	16,537	5,963
Sheriff	349,710	346,855	2,855	276,080	283,009	(6,929)
Jail	124,897	125,168	(271)	0	0	0
Prosecuting Attorney	87,004	87,004	0	72,620	72,612	8
Juvenile Officer	18,833	18,833	0	23,796	23,798	(2)
County Coroner	16,500	15,179	1,321	12,002	11,213	789
Special Prosecuting Attorney Fund	8,400	8,542	(142)	8,400	8,400	0
Special Law Enforcement Fund	16,000	3,270	12,730	14,500	13,545	955
Jury	6,500	6,295	205	3,000	10,509	(7,509)
Other	112,033	94,472	17,561	122,444	160,766	(38,322)
Transfers to Assessment	28,349	28,349	0	43,364	19,693	23,671
Total Disbursements	1,353,955	1,280,362	73,593	1,171,283	1,166,665	4,618
RECEIPTS OVER (UNDER) DISBURSEMENTS	29,898	113,039	83,141	31,515	18,933	(12,582)
CASH, JANUARY 1	(12,582)	(12,582)	0	(31,515)	(31,515)	0
CASH, DECEMBER 31	\$17,316	\$100,457	\$83,141	\$0	(\$12,582)	(\$12,582)

EXHIBIT B

WAYNE COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	\$97,549	\$104,966	\$7,417	\$91,346	\$96,945	\$5,599
Sales taxes	375,000	403,636	28,636	390,000	383,402	(6,598)
Intergovernmental	1,364,829	594,447	(770,382)	1,076,779	552,768	(524,011)
Charges for services	7,000	624	(6,376)	9,200	17,672	8,472
Interest	8,000	7,870	(130)	2,000	7,064	5,064
Other	32,745	9,156	(23,589)	73,600	40,058	(33,542)
Transfers from Debt Service	0	1,384	1,384	0	0	0
Total Receipts	1,885,123	1,122,083	(763,040)	1,642,925	1,097,909	(545,016)
DISBURSEMENTS						
Salaries	371,070	367,272	3,798	352,541	323,378	29,163
Employee fringe benefits	94,400	87,419	6,981	99,200	73,536	25,664
Supplies	205,000	110,154	94,846	187,000	191,304	(4,304)
Insurance	16,000	16,672	(672)	15,000	15,297	(297)
Road and bridge materials	183,086	171,820	11,266	258,463	276,737	(18,274)
Equipment purchases	20,000	23,668	(3,668)	20,000	18,177	1,823
Construction, repair, and maintenance	884,625	135,136	749,489	522,963	5,841	517,122
Other	118,852	140,476	(21,624)	71,012	140,758	(69,746)
Debt Service	9,500	11,539	(2,039)	5,700	9,251	(3,551)
Transfers to General Fund	85,054	33,650	51,404	80,788	32,901	47,887
Total Disbursements	1,987,587	1,097,806	889,781	1,612,667	1,087,180	525,487
RECEIPTS OVER (UNDER) DISBURSEMENTS	(102,464)	24,277	126,741	30,258	10,729	(19,529)
CASH, JANUARY 1	110,470	110,470	0	99,741	99,741	0
CASH, DECEMBER 31	8,006	134,747	126,741	129,999	110,470	(19,529)
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	99,053	101,350	2,297	97,151	94,615	(2,536)
Charges for services	3,500	0	(3,500)	3,086	2,964	(122)
Interest	0	0	0	0	283	283
Other	0	2,011	2,011	0	393	393
Transfers from General Fund	28,349	28,349	0	29,651	19,693	(9,958)
Total Receipts	130,902	131,710	808	129,888	117,948	(11,940)
DISBURSEMENTS						
Assessor	130,902	125,412	5,490	130,302	118,355	11,947
Total Disbursements	130,902	125,412	5,490	130,302	118,355	11,947
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	6,298	6,298	(414)	(407)	7
CASH, JANUARY 1	7	7	0	414	414	0
CASH, DECEMBER 31	7	6,305	6,298	0	7	7
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	5,000	4,283	(717)	4,500	5,003	503
Interest	0	0	0	100	0	(100)
Other	0	0	0	0	0	0
Total Receipts	5,000	4,283	(717)	4,600	5,003	403
DISBURSEMENTS						
Sheriff	7,500	7,270	230	7,084	4,252	2,832
Total Disbursements	7,500	7,270	230	7,084	4,252	2,832
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,500)	(2,987)	(487)	(2,484)	751	3,235
CASH, JANUARY 1	3,235	3,235	0	2,484	2,484	0
CASH, DECEMBER 31	\$735	\$248	(\$487)	\$0	\$3,235	\$3,235

EXHIBIT B

WAYNE COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	\$900	\$698	(\$202)	\$950	\$872	(\$78)
Total Receipts	900	698	(202)	950	872	(78)
DISBURSEMENTS						
Prosecuting Attorney	1,200	867	333	1,433	855	578
Total Disbursements	1,200	867	333	1,433	855	578
RECEIPTS OVER (UNDER) DISBURSEMENTS	(300)	(169)	131	(483)	17	500
CASH, JANUARY 1	500	500	0	483	483	0
CASH, DECEMBER 31	200	331	131	0	500	500
<u>DEBT SERVICE FUND</u>						
RECEIPTS						
Property taxes	500	0	(500)	240	668	428
Interest	0	39	39	0	0	0
Other	0	0	0	0	0	0
Total Receipts	500	39	(461)	240	668	428
DISBURSEMENTS						
Transfers to Debt Service	0	1,384	(1,384)	0	0	0
Total Disbursements	0	1,384	(1,384)	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	500	(1,345)	(1,845)	240	668	428
CASH, JANUARY 1	1,345	1,345	0	677	677	0
CASH, DECEMBER 31	1,845	0	(1,845)	917	1,345	428
<u>SPECIAL LAW ENFORCEMENT FUND</u>						
RECEIPTS						
Other	23,000	11,269	(11,731)	30,020	22,463	(7,557)
Total Receipts	23,000	11,269	(11,731)	30,020	22,463	(7,557)
DISBURSEMENTS						
Law enforcement	24,000	9,633	14,367	30,020	20,683	9,337
Total Disbursements	24,000	9,633	14,367	30,020	20,683	9,337
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,000)	1,636	2,636	0	1,780	1,780
CASH, JANUARY 1	1,800	1,800	0	20	20	0
CASH, DECEMBER 31	800	3,436	2,636	20	1,800	1,780
<u>SPECIAL PROSECUTING ATTORNEY FUND</u>						
RECEIPTS						
Charges for services	8,500	10,785	2,285	8,550	8,500	(50)
Total Receipts	8,500	10,785	2,285	8,550	8,500	(50)
DISBURSEMENTS						
Prosecuting attorney	8,500	9,160	(660)	8,560	8,490	70
Total Disbursements	8,500	9,160	(660)	8,560	8,490	70
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	1,625	1,625	(10)	10	20
CASH, JANUARY 1	20	20	0	10	10	0
CASH, DECEMBER 31	\$20	\$1,645	\$1,625	\$0	\$20	\$20

EXHIBIT B

WAYNE COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>VICTIMS OF DOMESTIC VIOLENCE</u>						
RECEIPTS						
Interest	\$0	\$9	\$9	\$0	\$0	\$0
Other	0	995	995	0	0	0
Sales taxes	0	0	0	10	12	2
Intergovernmental	2,200	0	(2,200)	500	1,179	679
Total Receipts	2,200	1,004	(1,196)	510	1,191	681
DISBURSEMENTS						
Domestic violence shelter	2,000	0	2,000	1,500	2,400	(900)
Total Disbursements	2,000	0	2,000	1,500	2,400	(900)
RECEIPTS OVER (UNDER) DISBURSEMENTS	200	1,004	804	(990)	(1,209)	(219)
CASH, JANUARY 1	25	25	0	1,234	1,234	0
CASH, DECEMBER 31	225	1,029	804	244	25	(219)
<u>RECORDER'S USER FEES FUND</u>						
RECEIPTS						
Charges for services	0	7,504	0	0	0	0
Interest	600	968	6,904	400	739	339
Intergovernmental	6,250	0	(5,282)	0	6,076	6,076
Other	0	0	0	6,500	0	(6,500)
Total Receipts	6,850	8,472	1,622	6,900	6,815	(85)
DISBURSEMENTS						
Computer equipment	23,500	1,592	21,908	19,764	764	19,000
Total Disbursements	23,500	1,592	21,908	19,764	764	19,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(16,650)	6,880	23,530	(12,864)	6,051	18,915
CASH, JANUARY 1	18,915	18,915	0	12,864	12,864	0
CASH, DECEMBER 31	2,265	25,795	23,530	0	18,915	18,915
<u>LAW LIBRARY FUND</u>						
RECEIPTS						
Charges for services	6,000	6,193	193	6,170	6,076	(94)
Total Receipts	6,000	6,193	193	6,170	6,076	(94)
DISBURSEMENTS						
Law books	3,000	6,994	(3,994)	13,000	1,851	11,149
Total Disbursements	3,000	6,994	(3,994)	13,000	1,851	11,149
RECEIPTS OVER (UNDER) DISBURSEMENTS	3,000	(801)	(3,801)	(6,830)	4,225	11,055
CASH, JANUARY 1	11,730	11,730	0	7,505	7,505	0
CASH, DECEMBER 31	14,730	10,929	(3,801)	675	11,730	11,055
<u>ASSOCIATE DIVISION'S INTEREST FUND</u>						
RECEIPTS						
Charges for services	25	0	(25)	0	25	25
Interest	975	1,194	219	720	1,026	306
Total Receipts	1,000	1,194	194	720	1,051	331
DISBURSEMENTS						
Postage and supplies	1,200	1,194	6	1,000	643	357
Total Disbursements	1,200	1,194	6	1,000	643	357
RECEIPTS OVER (UNDER) DISBURSEMENTS	(200)	0	200	(280)	408	688
CASH, JANUARY 1	705	705	0	297	297	0
CASH, DECEMBER 31	\$505	\$705	\$200	\$17	\$705	\$688

EXHIBIT B

WAYNE COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SHERIFF'S DONATIONS FUND</u>						
RECEIPTS						
Charges for services	\$7,500	\$8,685	\$1,185	\$3,120	\$6,545	\$3,425
Interest	0	0	0	100	0	(100)
Other	0	0	0	1,250	0	(1,250)
Total Receipts	7,500	8,685	1,185	4,470	6,545	2,075
DISBURSEMENTS						
Sheriff	8,000	8,949	(949)	5,671	7,241	(1,570)
Total Disbursements	8,000	8,949	(949)	5,671	7,241	(1,570)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(500)	(264)	236	(1,201)	(696)	505
CASH, JANUARY 1	512	512	0	1,208	1,208	0
CASH, DECEMBER 31	12	248	236	7	512	505
<u>LANDFILL TRUST FUND</u>						
RECEIPTS						
Interest	412	417	5	375	437	62
Total Receipts	412	417	5	375	437	62
DISBURSEMENTS						
Other	0	0	0	0	0	0
Total Disbursements	0	0	0	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	412	417	5	375	437	62
CASH, JANUARY 1	8,436	8,436	0	7,999	7,999	0
CASH, DECEMBER 31	8,848	8,853	5	8,374	8,436	62
<u>SHERIFF'S CIVIL FUND</u>						
RECEIPTS						
Charges for services	12,000	8,511	(3,489)	7,000	10,224	3,224
Interest	0	5	5	0	0	0
Other	0	2,371	2,371	1,900	0	(1,900)
Total Receipts	12,000	10,887	(1,113)	8,900	10,224	1,324
DISBURSEMENTS						
Equipment/Mileage	12,000	10,441	1,559	8,976	10,291	(1,315)
Total Disbursements	12,000	10,441	1,559	8,976	10,291	(1,315)
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	446	446	(76)	(67)	9
CASH, JANUARY 1	15	15	0	82	82	0
CASH, DECEMBER 31	15	461	446	6	15	9
<u>CIRCUIT CLERK'S INTEREST FUND</u>						
RECEIPTS						
Interest	100	69	(31)	70	132	62
Other	3,500	2,264	(1,236)	1,800	4,514	2,714
Total Receipts	3,600	2,333	(1,267)	1,870	4,646	2,776
DISBURSEMENTS						
Computer equipment	400	0	400	5,191	5,048	143
Labor	225	539	(314)	0	0	0
Supplies	2,294	303	1,991	0	0	0
Other	0	2,776	(2,776)	0	0	0
Total Disbursements	2,919	3,618	(699)	5,191	5,048	143
RECEIPTS OVER (UNDER) DISBURSEMENTS	681	(1,285)	(1,966)	(3,321)	(402)	2,919
CASH, JANUARY 1	2,919	2,919	0	3,321	3,321	0
CASH, DECEMBER 31	\$3,600	\$1,634	(\$1,966)	\$0	\$2,919	\$2,919

EXHIBIT B

WAYNE COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>ELEVATOR GRANT FUND</u>						
RECEIPTS						
Other	\$22,990	\$25,946	\$2,956	\$253,600	\$223,033	(\$30,567)
Transfers from General Fund	0	0	0	13,713	0	(13,713)
Total Receipts	22,990	25,946	2,956	267,313	223,033	(44,280)
DISBURSEMENTS						
Elevator	23,190	23,647	(457)	269,913	225,433	44,480
Total Disbursements	23,190	23,647	(457)	269,913	225,433	44,480
RECEIPTS OVER (UNDER) DISBURSEMENTS	(200)	2,299	2,499	(2,600)	(2,400)	200
CASH, JANUARY 1	200	200	0	2,600	2,600	0
CASH, DECEMBER 31	0	2,499	2,499	0	200	200
<u>SPECIAL ELECTION FUND</u>						
RECEIPTS						
Charges for services	2,098	2,109	11	2,850	1,216	(1,634)
Total Receipts	2,098	2,109	11	2,850	1,216	(1,634)
DISBURSEMENTS						
Equipment	536	642	(106)	2,850	1,199	1,651
Total Disbursements	536	642	(106)	2,850	1,199	1,651
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,562	1,467	(95)	0	17	17
CASH, JANUARY 1	17	17	0	0	0	0
CASH, DECEMBER 31	1,579	1,484	(95)	0	17	17
<u>COURTROOM RECORDER EQUIPMENT FUND</u>						
RECEIPTS						
Charges for services	0	849	849	0	270	270
Total Receipts	0	849	849	0	270	270
DISBURSEMENTS						
Equipment	0	0	0	0	0	0
Total Disbursements	0	0	0	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	849	849	0	270	270
CASH, JANUARY 1	270	270	0	0	0	0
CASH, DECEMBER 31	270	1,119	849	0	270	270
<u>HEALTH CENTER FUND</u>						
RECEIPTS						
Property taxes	95,970	94,355	(1,615)	84,144	87,245	3,101
Intergovernmental	1,202,215	1,038,803	(163,412)	1,150,896	1,064,550	(86,346)
Interest	19,000	13,623	(5,377)	11,227	15,042	3,815
Other	49,700	52,652	2,952	29,242	29,697	455
Total Receipts	1,366,885	1,199,433	(167,452)	1,275,509	1,196,534	(78,975)
DISBURSEMENTS						
Health center	1,366,885	1,237,183	129,702	1,272,409	1,098,434	173,975
Total Disbursements	1,366,885	1,237,183	129,702	1,272,409	1,098,434	173,975
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(37,750)	(37,750)	3,100	98,100	95,000
CASH, JANUARY 1	327,999	327,999	0	229,899	229,899	0
CASH, DECEMBER 31	\$327,999	\$290,249	(\$37,750)	\$232,999	\$327,999	\$95,000

EXHIBIT B

WAYNE COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUNDS

	Year Ended December 31,					
	2001			2000		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SENATE BILL 40 BOARD FUND</u>						
RECEIPTS						
Property taxes	\$55,000	\$59,080	\$4,080	\$62,500	\$68,011	5,511
Interest	2,500	8,256	5,756	2,500	2,459	(41)
Other	0	42,112	42,112	0	0	0
Total Receipts	57,500	109,448	51,948	65,000	70,470	5,470
DISBURSEMENTS						
Sheltered Workshop Board	50,580	42,544	8,036	52,000	87,999	(35,999)
Total Disbursements	50,580	42,544	8,036	52,000	87,999	(35,999)
RECEIPTS OVER (UNDER) DISBURSEMENTS	6,920	66,904	59,984	13,000	(17,529)	(30,529)
CASH, JANUARY 1	89,891	89,891	0	107,420	107,420	0
CASH, DECEMBER 31	96,811	156,795	59,984	120,420	89,891	(30,529)
<u>PUBLIC WATER SUPPLY DISTRICT #2 FUND</u>						
RECEIPTS						
Intergovernmental	250,000	139,570	(110,430)	0	0	0
Total Receipts	250,000	139,570	(110,430)	0	0	0
DISBURSEMENTS						
Public Water Supply District #2	250,000	139,070	110,930	0	0	0
Total Disbursements	250,000	139,070	110,930	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	500	500	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	0	500	500	0	0	0
<u>CORP TRAIL GRANT</u>						
RECEIPTS						
Intergovernmental	0	10,000	10,000	0	0	0
Total Receipts	0	10,000	10,000	0	0	0
DISBURSEMENTS						
Other	0	0	0	0	0	0
Total Disbursements	0	0	0	0	0	0
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	10,000	10,000	0	0	0
CASH, JANUARY 1	0	0	0	0	0	0
CASH, DECEMBER 31	\$0	\$10,000	\$10,000	\$0	\$0	\$0

WAYNE COUNTY, MISSOURI

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Wayne County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, or the Senate Bill 40 Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Section 50.525 through 50.745, RSMo 2000, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Funds</u>	<u>Year(s) Ended December 31,</u>
Courtroom Recorder Equipment	2001 and 2000
Corp Trail Grant	2001

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Funds</u>	<u>Year(s) Ended December 31,</u>
Debt Service	2001
Special Prosecuting Attorney	2001
Victims of Domestic Violence	2000
Law Library	2001
Sheriff's Donations	2001 and 2000
Sheriff's Civil	2000
Circuit Clerk	2001
Elevator Grant	2001
Special Election	2001
Senate Bill 40	2000

Section 50.740, RSMo 2000, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 2000, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements for the year ended December 31, 2001, did not include the Associate Division's Interest Fund.

2. Cash

Section 110.270, RSMo 2000, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo 2000, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Government Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The county, Health Center Board, and Senate Bill 40 Board's deposits at December 31, 2001 and 2000 were entirely covered by federal depositary insurance or by collateral securities held by the county, Health Center Board, and Senate Bill 40 Board's custodial banks in the county, Health Center Board, Senate Bill 40 Board's name.

To protect the safety of the county deposits, Section 110.020, RSMo 2000, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

Supplementary Schedule

Schedule

WAYNE COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			2001	2000
U. S. DEPARTMENT OF AGRICULTURE				
	Passed through state:			
	Department of Health -			
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERO 045-9212	\$ 45,994	\$ 53,485
10.559	Summer Food Service Program for Children		0	57
	Office of Administration -			
10.665	Schools and Roads - Grants to States	Forest Reserve	209,828	125,492
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
	Passed through state:			
	Department of Economic Development -			
14.228	Community Development Block Grants/State's Program	97PF29	23,647	237,409
		PWSD#2	139,070	0
	Program Total		162,717	237,409
U.S. DEPARTMENT OF JUSTICE				
	Direct programs:			
16.710	Public Safety Partnership and Community Policing Grants		58,620	0
	Passed through Missouri Sheriff's Methamphetamine Relief Team:			
16.579	Byrne Formula Grant Program	SD-2001-21	25,353	0
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
	Passed through state:			
	Department of Health -			
93.268	Immunization Action Plan	N/A	12,210	12,388
93.575	Child Care and Development Block Grant	ERO146-9212CCH&SC	650	650
93.991	Preventive Health and Health Services Block Grant	N/A	0	147
93.994	Maternal and Child Health Services Block Grant to the States	ERO146-9212MCH	35,100	31,002
	Total Expenditures of Federal Awards		\$ 550,472	\$ 460,630

N/A - Not applicable

Notes to the Supplementary Schedule

WAYNE COUNTY, MISSOURI

NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Wayne County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals...

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to the Health Center through the Center for Disease Control of the U.S. Department of Health and Human Services.

Of the amounts for Immunization Grants (CFDA number 93.268) \$12,210 and \$12,388 represent the original acquisition cost of vaccines purchased by the Center for Disease Control of the U.S. Department of Health and Human Services but distributed to the Health Center through the state Department of Health during the years ended December 31, 2001 and 2000. Of the amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991), \$147 represents the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the year ended December 31, 2000. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,374 and \$737 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 2001 and 2000. The remaining amounts for Immunization Grants, the Preventive Health and Health Services

Block Grant, and Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 2001 and 2000.

Federal Awards-
Single Audit Section

Independent Auditor's Report

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The County Commission
and
Officeholders of Wayne County, Missouri

Compliance

We have audited the compliance of Wayne County, Missouri with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal programs for the years ended December 31, 2001 and 2000. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with requirements of laws, regulations, contracts, and grants applicable to its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Wayne County, Missouri, complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 2001 and 2000. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of Findings and Questioned Costs as finding number 2001-1.

Internal Control Over Compliance

The management of Wayne County, Missouri is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 2001-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness.

This report is intended for the information of the management of Wayne County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Original Signed by Auditor

Charles Buchanan CPA, PC
March 15, 2002

Schedule

Wayne County, Missouri
Schedule of Findings and Questioned Costs
(Including Management's Plan For Corrective Action)
Two Years Ended December 31, 2001

Section I-Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting:

Material weakness identified? yes x no

Reportable condition identified that is not considered to be a material weakness? yes x none reported

Noncompliance material to the financial statements noted? yes x no

Federal Awards

Internal control over major programs:

Material weakness identified? yes x no

Reportable condition identified that is not considered to be a material weakness? x yes none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section.510(a) of OMB Circular A-133? x yes no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.665	Schools and Roads – Grants to States
14.228	Community Development Block Grant/State's Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? yes x no

Section II-Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III-Federal Award Findings and Questioned Costs

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Federal Grantor: U.S. Department of Housing and Urban Development
 Pass-Through Grantor: Department of Economic Development
 Federal CFDA Number: 14.228
 Program Title: Community Development Block Grants/State's Program

Pass-Through Entity Identifying Number: 1997-PF-29 and PWSD #2
 Award Year: 2001 and 2000
 Questioned Costs: \$721.00

Criteria: The state guidelines allow five days to expend funds drawn down from the cash management system.

Condition: The county did not adequately monitor the third-party administrator's procedures for cash draws. Twelve of thirty draw downs were eleven to thirty-nine days (average twenty-five) past the five-day limit.

Questioned Costs: \$721.00 representing interest on the excess days the funds were held.

Effect: The county did not comply with the state and federal guidelines.

Recommendation: We recommend the county review the third-party administrator's payment policies and monitor their procedures to determine whether controls are adequate. We also recommend the county attempt to obtain reimbursement of the questioned costs from the third-party administrator.

Auditee's Response and Plan for Corrective Action: The County Clerk agrees with the auditor's recommendation and will discuss this issue with the third-party administrator.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

**WAYNE COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Wayne County, Missouri, on the applicable findings in the prior audit report issued for the two years ended December 31, 1999.

1. County Sales Tax
 - A. The county had not sufficiently reduced its property tax revenues by 50 percent of sales tax revenues as provided in a ballot issue passed by the voters of the county.
 - B. The County Commission reduced tax levies for the Special Road and Bridge Fund to provide part of the required property tax collection reduction.
 - C.1. The financial condition of the county's General Revenue Fund remains weak.
2. The County Commission distributed payments in lieu of tax of approximately \$80,000 yearly from the U.S. Department of Interior to the Special Road and Bridge and General Revenue funds equally for several years.

Recommendation:

The County Commission:

- A. Ensure appropriate reductions are made to the property tax levies to reflect excess property taxes collected in prior years when setting the 2000 property tax levies.
- B. & C. Develop a financial plan to improve the financial condition of the General Revenue Fund and repay \$610,581 to the Special Road and Bridge Fund. In addition, any future reductions of Special Road and Bridge property tax revenues as a result of rollbacks required by sales tax collections should be offset by transfers from the General Revenue Fund.

Status:

- A. Implemented.

	Tax Year Ended December 31,	
	2001	2000
ACTUAL SALES TAX REVENUES	\$403,225	\$382,983
Required percentage of revenue reduction	50%	50%
Required property tax revenue reduction	201,613	191,492
Assessed Valuation	96,077,764	91,602,622
General Revenue Fund and Special Road and Bridge Fund tax levy reduction (per \$100 of assessed valuation)	0.27	0.27
Actual property tax revenue reduction	259,410	247,327
EXCESS PROPERTY TAX REVENUES COLLECTED	(57,797)	(55,836)
Excess property tax revenue collections from prior years	40,454	96,290
NET EXCESS	<u>(\$17,343)</u>	<u>\$40,454</u>

The net excess property tax revenues collected as of December 31, 2001 and 2000 have decreased since the prior audit.

- B. & C. Partially implemented. The financial condition of the General Revenue Fund has improved. In a board meeting held October 3, 2000, the Commission decided to apply the \$651,085 in lieu of tax payments from the General Fund paid to the Road and Bridge Fund to the \$610,581 that was owed Road and Bridge. The difference, \$40,504, is the balance overpaid to Road and Bridge. The Commission believes that if the \$40,504 is paid to the General Revenue Fund from the Road and Bridge Fund, the issue will be resolved. The Commission is presently awaiting approval from the State Auditor's Office to affect this resolution.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

WAYNE COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings Question Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500 (e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresent the status of any prior findings.

The prior audit report issued for the two years ended December 31, 1999, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.